



SMERA RATINGS LIMITED

Jai Hanuman Education Society (JHES)

Rating Rationale

March 24, 2014

Facilities	Amount (Rs. Crore)	Rating
Term Loan	5.20	SMERA D (Assigned)

SMERA has assigned a rating of '**SMERA D**' (read as **SMERA D**) to the Rs.5.20 crore long-term bank facilities (fund based) of Jai Hanuman Education Society (JHES). The rating reflects the society's ongoing delays in servicing debt obligation. The rating is constrained by the society's limited operational track record in a highly competitive industry.

JHES is a Haryana-based society engaged in setting up and running of educational institutes. JHES established a school in May 2013. The society faces intense competition from several players in the education industry. JHES is irregular in servicing interest on its term loan.

Rating sensitivity factors

- Timely servicing of term loan obligation
- Increase in admission rate and generation of higher fee receipts
- Debt-funded capital expenditure plans

About the society

JHES, established on September 02, 2008, is a Sonapat-based education society headed by Mr. Anup Singh (Founder), Mr. Vinod Singh (President), Mrs. Anita Devi (Vice President), Mr. Anil Singh (Secretary) and Mr. Mukesh Rani (Treasurer).

On May 16, 2013, JHES established a school, named Ishwar International School, in Barota village (Haryana) to provide education (from pre-nursery level to standard eight) under the Central Board of Secondary Education (CBSE).

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